20-10809-dsj Doc 118-1 Filed 07/16/20 Entered 07/16/20 19:09:43 Exhibit A - Online Benefit Auction Agreement Pg 1 of 13

# EXHIBIT A

# Paddle8 Online Benefit Auction Agreement

Name of Organization:	Counseling In Schools	P8H, Inc.	
Name of Representative, Title:	Kevin Dahill- Fuchel, Executive Director		
Event Name:	Counseling In Schools Online Auction		
Address:	505 Eigth Avenue, Suite 12A-06 – New York, NY 10018	107 Norfolk St.  New York, NY 10002	
Email:	lew@counselinginschools.org	benefit@paddle8.com	
Telephone:	212-663-3036	+1-212-343-1142	

This Agreement, dated **October 8**, sets forth the basic terms and conditions that govern P8H, Inc.'s ("Paddle8," "we," "us") contractual arrangements with the undersigned ("you," "your") with respect to Lots ("Lots") you offer for sale on www.Paddle8.com (the "Site"). In addition to this Agreement and any exhibits hereto, the Conditions of Business (as the same may be revised from time to time by Paddle8, the "Conditions of Business") published on the Site contain the terms pursuant to which bidders participate in auctions conducted by you and hosted on the Site and are binding on you, all bidders, and the ultimate Purchaser. By signing this Agreement, you agree to be bound by this Agreement and the Conditions of Business on the Site.

- 1. <u>Listing Lots on the Site.</u> You may list Lots on the Site as a public preview from **November 12.** The auction will launch with bidding on **November 19** and close on **December 3**, (the "Auction Period") in connection with **Counseling In Schools Online Auction**, subject to the terms and conditions herein.
- 2. <u>Set-up Fees</u>. You agree to pay us a set-up fee of \$1,500 USD for each auction platform we create for you on the Site, within thirty (30) days of the date of the auction sale.
- **3.** <u>Auction Inventory.</u> Total Auction Inventory shall be between 15-25 Lots and have a minimum value of \$75,000 USD ("Auction Inventory"). Fourteen (14) days prior to the Auction Launch, you agree to provide us with a list of confirmed Auction Inventory for review.

You agree to post each Lot on the Site with high-quality images. For physical Lots, technical information such as artist or maker, title, medium, circa date, dimensions, condition and any other pertinent

1

20-10809-dsj Doc 118-1 Filed 07/16/20 Entered 07/16/20 19:09:43 Exhibit A - Online Benefit Auction Agreement Pg 3 of 13

information about the object must be listed ("Lot Description"). For experiential Lots, a description, terms and conditions, black-out dates, and any other pertinent information about the experience must be listed ("Lot Description"), as applicable.

You are solely responsible for the content of all information in the Lot Description. You agree that all information and images provided to bidders will be true and correct in all material respects and will not be misleading. We require ten (10) business days to review and approve Lots on the site. We reserve the right to approve Lots on the site based on our Lot guidelines as specified in Paddle8's Getting Started Guide, which will be provided to you by us. We also reserve the right to edit any images provided by you to fit the specifications of the Site.

If we believe that the use of images or the information posted on the Site may expose you or us to potential liability or the threat of litigation, then we may, at our sole discretion, delete such information upon notice to you to correct the same. Once the images and Lot Description are posted to the Site, you are required to notify us promptly should you become aware of any fact or circumstances that make the information inaccurate or misleading in any material respect. We may inform any bidders who have placed bids on the Lot of the inaccurate or misleading information. We reserve the right, at our sole discretion, to remove any Lot posted to the Site for any reason.

If after the auction we learn that the image or Lot Description was inaccurate or misleading, including but not limited to an inaccurate description of the Lot's condition, then you grant us the right, in our sole discretion, to cancel the sale or rescind the sale in accordance with the terms of paragraph 14, below.

**4.** The Auction. The Lots will be displayed on the Site during the Auction Period when bidders may place bids on the Lots. During the Auction Period we will have absolute discretion as to (a) the dates and duration of the Auction Period, (b) the manner in which we conduct the auction, (c) the operation of the Site, (d) the use and representation of images of the Lot, (e) providing opinions of the Lot as we believe appropriate, and (f) seeking the views of any expert, either before or after the auction.

The Lots will be included in the auction with a starting bid ("Starting Bid") which will be provided by you when the Lots are uploaded to the Site. Only registered members of the Site will be allowed to view the Starting Bid and place bids on any Lot. Non-registered members may be provided with an estimated value of the Lot. We will conduct the auction and collect bids on your behalf either at or above the Starting Bid. We will notify you of the sale of the Lot to the highest bidder ("Purchaser") within one (1) business day of the end of the Auction Period. The Lot will be considered sold by you to the Purchaser at the close of the Auction Period which will be known as the "Purchase Date" and the amount of the purchase will be known as the "Purchase Price," (alternatively, the "Hammer Price" or "Buy Now Price"). We will collect from the Purchaser the total amount of (i) the Purchase Price, plus (ii) the buyer's premium, if applicable, plus (iii) sales, use, GST, VAT or any other taxes that we are required to collect

2

pursuant to applicable law, plus (iii) fine art shipping, packing, insurance and other charges authorized by the Purchaser (collectively, the "Total Sale Proceeds").

You agree that any bid placed by you on Lots in your auction will be with the intent to purchase and the commissions and fees defined in this paragraph as well as paragraph 5 will be applicable. You also agree that any information you are provided regarding bids placed in your auction will be kept confidential and not used to inform any bids placed by you or other parties.

#### a. Auction Commission and Processing Fee.

You agree to pay us a commission of 8% of the Purchase Price of each Lot sold in the auction.

In addition, you further agree to pay us an additional payment processing fee of 2% of the Total Sale Proceeds of any Lot where we collect payment. You agree to pay us a fee of 3.5% of the Total Sale Proceeds of any Lot where payment is processed via credit card, a fee of \$30 USD for each payment remitted to us by electronic funds transfer and 1.9% of the Total Sale Proceeds + \$0.30 USD per transaction for each payment remitted via ACH.

We reserve the right to pay out of our commission or elsewhere a fee to any third party introducing Lots or clients to us.

If we agree, after being provided advanced notice, that you shall collect payment for any Lots following the close of the Auction, then you shall pay us the relevant commissions, as applicable, within thirty (30) days after the auction period.

**5.** <u>Buy Now.</u> You may allow Purchasers to purchase Lots immediately using the Buy Now feature on our Site. This feature is optional and the below will only apply should this be utilized.

The Buy Now Price must be higher than the Starting Bid. Your sale of Lots through the Buy Now feature is binding upon you, and you agree to remove the Lot from your auction or designate it as "sold" immediately upon the Buy Now purchase.

Only registered members of the Site will be allowed to view the Starting Bid and place bids of any Lot on the Site.

a. <u>Buy Now Commission and Processing Fee.</u> You agree to pay us a commission of 8% of the Purchase Price of each Lot sold using the Buy Now feature. In addition, you further agree to pay us an additional processing fee of 2% of the Total Sale Proceeds. You agree to pay us a fee of 3.5% of the Total Sale Proceeds of any Lot where payment is processed via credit card, a fee of \$30 USD for each payment remitted to us by electronic funds transfer and 1.9% of the Total Sale Proceeds + \$0.30 USD per transaction for each payment remitted via ACH. We reserve the right to pay out of our commission or elsewhere a fee to any third party introducing Lots or clients to us.

3

**6.** <u>Payment Processing and Release.</u> We will remit the Net Sale Proceeds to you within thirty (30) business days of our receipt of all the payments in good funds from all the Purchasers in the Auction(s). You authorize us to deduct and retain from the Total Sale Proceeds the commissions and fees listed in paragraphs 2, 4, and 5, as well as any other amount you owe us, whether arising out of the sale of the Lots or otherwise ("Net Proceeds"). Distribution of the Net Sale Proceeds shall be by electronic funds transfer to an account identified by you in Exhibit B.

We will take commercially reasonable steps to obtain payment for any Lot, but we will have no obligation to enforce payment by the Purchaser. Payments made by Purchaser will be accepted via credit card, ACH, wire, or check. Payments made above \$25,000 USD/£15,000 GBP by credit card will be accepted only upon your written approval. Payment will not be deemed to have been made in full until we have collected good funds, including those charges made by credit card. We cannot guarantee our receipt of funds from these sources. We are not obligated to provide the Purchaser any other means of making payment. If we do not receive payment in good funds from the Purchaser, we may cancel the sale and you may choose to display the Lots in another auction or not. Should the Purchaser file a chargeback, you will be responsible for any related fees. Paddle8 shall not, under any circumstances, be liable for any consequential damages to you as a result of non-payment by the Purchaser.

Provided we have received the Total Sale Proceeds in cleared funds for any Lot sold, you shall release the Lots immediately upon our written instruction. You agree to contact the Purchaser within five (5) business days of confirmation of payment by the Purchaser, or written instruction by us, to arrange for the packing of the Lots and its shipping to the Purchaser. You and the Purchaser shall be responsible for loss of or damage to the Lots while in your possession or in transit, and Paddle8 shall not be responsible to you or the Purchaser for any loss or damage to the Lots incurred in transit or otherwise. You further agree to provide us, upon our request, with a copy of the release documentation signed by the Purchaser or the shipping company's bill of lading signed by you ("Proof of Release") after the Lot has been released.

**7. Sales Tax.** In the event you believe that the sale of Lot is exempt from the collection of sales tax from the Purchaser, you agree to provide us with documentation establishing, in our sole judgment, that the Lot is exempt from sales tax in advance of the auction launch. If you believe you are exempt from the collection of New York State sales tax, you are required to submit NYS Form ST-119 to us in advance of the auction launch.

Should you be required to collect sales tax on any Lot, we will collect this from the Purchaser and remit to you as part of the Net Sale Proceeds. You will be responsible for remitting Sales Tax.

8. Exclusive Right to Sell and Withdrawal. You grant Paddle8 an exclusive right to exhibit, offer for sale, and sell the Lots beginning as of the date we post the Lots for sale on the Site through the Auction Period. You agree not to accept any offers, except through the Site, to purchase Lots from the date the Lots are posted to the Site until the end of the Auction Period. You further agree to refer any party

4

making such offers to the auction and encourage them to place a bid on the Site. You may not withdraw Lots from the auction after the date on which the Lot is posted publicly to the Site. You agree to pay us the commission specified in paragraph 4 based upon the Starting Bid for any Lot for which you breach any of your obligations under this paragraph. If you withdraw from a scheduled auction in breach of this Agreement, you will pay us a Withdrawal Fee of \$1,000 USD, as well as any special, incidental or consequential damages incurred as a result of your breach, notwithstanding anything to the contrary in this Agreement.

- **9.** <u>Post Auction Offers.</u> You authorize us, for a period of fourteen (14) calendar days following close of the Auction Period, to sell any unsold Lot, with your prior consent, by private sale either at the Starting Bid or an amount agreed upon by you and the buyer. In such event, your obligations to us hereunder with respect to such Lot are the same as during the auction.
- 10. <u>Copyright.</u> You agree that, subject to any rights of third parties, we may use and retain images and descriptions of the Lots provided by you solely for archival purposes. We retain the exclusive copyright to all illustrations, photographs, videography, and descriptions of the Lots created by us. We grant you a non-exclusive right, subject to any rights of third parties, to use any photographs and descriptions of the Lots created by us for your educational and archival purposes only, provided (a) you credit Paddle8 for the materials, (b) your use is not for sales or marketing purposes, and (c) none of the materials are provided to, or for use by, a competitor of Paddle8 (as determined solely by us).
- 11. Archive. As a service to you and to Purchasers, we will maintain an archival database of Lots included in an auction or Buy Now listing. You authorize us to compile and publish this database, subject to any confidentiality settings or requests by you, and freely use the information you provide to us (including images and descriptions of the Lots), (collectively, the "Lots Data"), whereby you grant us an irrevocable, non-exclusive, worldwide, royalty-free, perpetual license and right to exercise the copyright you have in the Lots Data and the right to publish, reproduce or otherwise use the Lots Data for archival purposes only. If you include in any Lots Data any material the use of which requires the permission of any copyright holder or any other person having rights in such material, you agree to obtain any necessary permissions or licenses to use such material in the manner contemplated in this Agreement prior to posting it to the Site. We may limit the scope of this database (including, without limitation, the time period covered by such database) at our discretion. Any use of the Lots Data outside of the Auction Period will be for the archival purposes described above only. Any additional use of Lots Data outside of the Auction Period will require your prior approval.
- **12.** <u>Marketing and Promotional Activities.</u> To the extent indicated on Exhibit A hereto, you and we agree to use best efforts to engage in the marketing and promotional activities described on Exhibit A hereto.
- 13. <u>Representations and Warranties; Indemnity.</u> You represent and warrant to us and each Purchaser that you have the right to offer the Lots for sale; it is now, and through and including its sale will be kept,

free of all liens, claims and encumbrances of others, including, but not limited to, claims of governments or governmental agencies; good title and right to possession will pass to the Purchaser free of all liens, claims and encumbrances; this Agreement has been duly authorized, executed and delivered by you and constitutes your legally binding obligation; all information you have posted to the Site about the Lots and its provenance, condition and restoration is complete and accurate; the Lots are authentic and are not counterfeit and you have no reason to believe otherwise; where the Lot has been imported into the United States, the Lot has been lawfully imported into the United States and has been lawfully and permanently exported as required by the laws of any country (including any laws or regulations applicable in the European Union) in which it was located; required declarations upon the export and import of the Lot has been properly made and any duties and taxes on the export and import of the Lot has been paid; you have paid or will pay any and all taxes and/or duties that may be due on the net sale proceeds of the Lot; and there are no restrictions on our right to reproduce still or moving images of the Lot in all media now known or hereafter devised in perpetuity.

You agree to indemnify and hold us and each Purchaser harmless from and against any and all claims, actions, damages, losses, liabilities and expenses (including reasonable attorneys' fees incurred) relating to the breach of any of your agreements, representations or warranties in this Agreement.

Your representations, warranties and indemnity will survive completion of the transactions contemplated by this Agreement.

- 14. <u>Rescission.</u> You authorize us to rescind the sale of any Lot in accordance with the Conditions of Business, or if we learn that the Lot is inaccurately described, or if we learn that the Lot is a counterfeit (a modern forgery intended to deceive) or if we determine in our reasonable judgment that the offering for sale of any Lot has subjected or may subject us and/or you to any liability, including liability under the Conditions of Business. If we receive from a Purchaser notice of intention to rescind and we determine that a Lot is subject to rescission under the Conditions of Business or as otherwise set forth above, we will transfer the notice to you and you will return to us any sale proceeds for such Lot paid by us to the Purchaser, and you will reimburse us for expenses incurred in connection with the rescinded sale including reasonable attorney's fees incurred.
- 15. <u>Starting Bids, Buy Now Prices and Descriptions.</u> We make no representation or warranty of the anticipated selling price of any Lot. We will not be liable for any errors or omissions in descriptions of the Lots and make no guarantees, representations or warranties whatsoever to you with respect to the Lots, its authenticity, condition, value or otherwise. We reserve the right to review the Starting Bid and value of any Lot in advance of the Auction Launch and should we believe that these may expose you or us to potential liability or the threat of litigation, then we may, at our sole discretion, delete such information upon notice to you to correct the same.
- **16.** <u>Use of Name.</u> Lots offered by you for sale in an auction or a Buy Now listing on the Site will be offered for sale under your name. You authorize us to use your name when we offer the Lots for sale

6

and when we advertise or otherwise promote the sale, both before and after an auction or during the time any Lot is included in a Buy Now listing on the Site. You authorize us to use your name elsewhere on the Site solely to indicate your participation on the Site.

- 17. <u>Disclaimer of Warranties.</u> Please note that the Site on which your Lots are included in an auction or a Buy Now listing and available for sale is provided "AS IS" and "AS AVAILABLE" and without any express or implied warranties. To the maximum extent permitted by law, Paddle8 specifically disclaims the implied warranty of merchantability and fitness for a particular purpose. In no event shall we be liable for lost profits or any special, incidental or consequential damages arising out of or in connection with this Agreement. We do not guarantee or represent that the Site will operate error-free or that service will be uninterrupted.
- 18. <u>Withdrawal by Paddle8.</u> We may withdraw any Lot in an auction or a Buy Now listing on the Site at any time before the close of an auction or the completion of a Buy Now Sale, as described above, at our sole discretion and also if (a) there is doubt as to its authenticity or attribution, (b) the offering for auction, Buy Now listing or sale of any Lot has subjected or may subject us and/or you to any liability under any warranty in the Conditions of Business, (c) there is doubt as to the accuracy of any of your representations or warranties, or (d) you have breached any provision of this Agreement. Should we need to withdraw any lot or Buy Now listing, then we will communicate these changes immediately thereafter.
- 19. Notices and Communications. Any notices or communications under this Agreement shall be given by email or regular mail. Our email address for any notices or communications is benefit@paddle8.com. Any notice we give to you hereunder by email will be sent to the email address as listed on the first page of the Agreement. Any notices we give to you hereunder by regular mail will be sent to the address you provide as listed on the first page of the Agreement. Either party may change its address by email or regular mail notification to the other party. Notice shall be deemed to have been given (a) 24 hours after it has been sent in the case of email and (b) ten (10) calendar days after it has been sent in the case of regular mail, except as otherwise specified herein. Notice will not be deemed to be given if the sending party receives a notification that the email or other address is invalid or any other notification that indicates that the email or other mail was not received. If you do not maintain an email address, we will deliver all notices and other communications concerning the Lots to you at your address as listed on the first page of the Agreement.
- 20. <u>Privacy.</u> We will record any information that you supply to us or that we obtain about you in our data systems. We will not sell, rent or lease your information to others. We will not share the information you provide to us with third parties without your permission, unless to: (i) respond to duly authorized information requests of police and governmental authorities; (ii) comply with any law, regulation, subpoena, or court order; (iii) investigate and help prevent security threats, fraud or other malicious activity; (iv) enforce/protect the rights and properties of Paddle8; or (v) protect the rights or personal safety of Paddle8 employees and third parties on or using Paddle8 property. From time to time

20-10809-dsj Doc 118-1 Filed 07/16/20 Entered 07/16/20 19:09:43 Exhibit A - Online Benefit Auction Agreement Pg 9 of 13

we may send you information about our business, or about products and services of other organizations with which we have a relationship.

The parties acknowledge that the terms of this agreement are confidential and may not be shared with any third parties.

- **21.** <u>Sold Lots.</u> We will designate a Lot as "sold" for any Lot purchased on the Site in an auction or a Buy Now listing and may retain this information in our archives, as described above.
- 22. Other Matters. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York. In the event of a dispute hereunder, you agree to submit to the exclusive jurisdiction of the state courts of and the federal courts sitting in the State of New York. This Agreement shall be binding upon your heirs, distributees, executors, legal representatives, successors and assigns. You may not assign this Agreement without our prior written consent. If you are acting as an agent for someone who is not signing this Agreement, you and your principal jointly and severally assume your obligations and liabilities hereunder to the same extent as if you were acting as principal. Neither party shall be liable to the other for any special, consequential or incidental damages except as specifically set forth herein. This Agreement, any Auction Acknowledgments, including the Schedules thereto, and the Conditions of Business published on the Site, constitute the entire agreement between the parties with respect to the transactions contemplated hereby and supersede all prior or contemporaneous written, oral or implied understandings, representations and agreements of the parties relating to the subject matter of this Agreement. Neither you nor we may amend, supplement or waive any provision of this Agreement other than by means of a writing signed by both parties. You agree that you will not disclose the terms of this Agreement to any third party without our prior written consent, except to attorneys and accountants on a need-to-know basis, or as a result of valid legal process compelling the disclosure, provided you first give us prompt written notice of such service of process and allow us, if we deem it appropriate, to obtain a protective order. The paragraph headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.
- 23. <u>Term and Termination</u>. This Agreement must be signed by you within thirty (30) days of the date in the first paragraph of this Agreement. If so, then this Agreement commences on the date you sign it and will continue until the completion of your auction sale or until the completion of the transactions contemplated by this Agreement, whichever is later. Should the Auction Inventory value or number of lots agreed to in Paragraph 3, supra, decrease by a margin of 15% or more, we reserve the right to renegotiate commission and/or Fees or terminate this Agreement at any time and at our sole discretion.

Please confirm your agreement with the foregoing by dating, signing and returning to us the duplicate copy of this Agreement.

# 20-10809-dsj Doc 118-1 Filed 07/16/20 Entered 07/16/20 19:09:43 Exhibit A - Online Benefit Auction Agreement Pg 10 of 13

very truly yours,	
P8H, Inc.	
By: Millott	10/21/2019
Michael McClellan, Director of Operations	Dated
Ву: Ди	
Ramesh Ganeshan, Controller	
2	
ACCEPTED AND AGREED TO:	
By Slub toll	
Organization to sign here	Dated
Kevin Dahill-Fuchel, Executive Director	
Print name, Title	

## Exhibit A

You agree to engage in the marketing and promo	tional activities b	pelow:	
INITIATIVE	DESCRIP	TION	
OVERALL MESSAGING - COMMUNICATION	Message the auction including the URL linking to the sale and the auction live and closing dates in your relevant communication channels		x
DIGITAL - WEBSITE - PLACEMENT	Message the auction (URL & live and closing dates) on your website homepage or other high-traffic pages throughout the duration of the sale		x
The following marketing initiatives, when implemente in terms of bidding activity and results in their auction:		rtners, have proven to be effective and successful	
INITIATIVE		DESCRIPTION	
OVERALL MESSAGING - COMMUNICATION		Include in the messaging of the auction the Paddle8 logo, and "About Paddle8" information (copy can be provided & please note there's no space in the name) to give context and information on the Paddle8 platform on which your auction is hosted	×
DIGITAL - ÈMAIL - STRATEGIC PLACEMENTS		As soon as the auction is live, alert your community via email (a template can be provided by Paddle8 if needed) which includes both logos, the direct link to the auction and a section you can customize to describe your auction OR send alerts with own email tools/templates, including the Paddle8 logo & direct URL to the sale, and live and closing dates	x
		Send 3 separate emails: (1) "Coming soon" announcement (if there is a Preview online) (2)"Auction now live" announcement (3) "Last chance to bid" announcement within 24 hours of the auction closing, and mentioning the	
DIGITAL - EMAIL - MULTIPLE PLACEMENTS		end time	X
DIGITAL - SOCIAL - STRATEGIC PLACEMENTS		Alert your social followers to the auction throughout the duration of your sale on all currently employed social media platforms, including a direct link to the auction and Paddle8 handles (see our guide to best practices and tips)	x

10

# 20-10809-dsj Doc 118-1 Filed 07/16/20 Entered 07/16/20 19:09:43 Exhibit A - Online Benefit Auction Agreement Pg 12 of 13

DIGITAL - EDITORIAL - CONTENT	Facilitate an interview with a person of note related to your auction/organisation, to be agreed upon with Paddle8 for editorial content to be used to help promote the auction	x
i e e e e e e e e e e e e e e e e e e e	Insertion of the URL of the auction & live and closing dates and description of Paddle8 (copy can be provided) into your magazine, catalogue or event pamphlet	x

## **Exhibit B**

## **Payment Instructions**

Paddle8 is hereby irrevocably authorized to transfer and deposit electronically to my bank account, the details of which are set out below. I have attached hereto a blank check or a photocopy of a blank check, marked cancelled, issued by my financial institution for the account set forth below:

*Required Information
Bank:
BankBranch:
Bank Address: P O Box 182051
Columbus, OH 43218- 2051
BankContact: Shivana Sooklal
Bank Contact phone:
Exact Name on Account:COUNSELING IN SCHOOLS INC
453764537 Account No.:
ABA/Sort Code:
and/or
SWIFTCode:
For non-USA banks, please include IBAN :
☐ Please select this box if you would prefer payment by check
(Sign Here)
Kevin Dahill-Fuchel
(Please print name)

12